



ORIGINAL NEW APPLICATION



0000126087

**Arizona Department of Transportation**

**Intermodal Transportation Division**

206 South Seventeenth Avenue Phoenix, Arizona 85007-3213

Janice K. Brewer  
Governor

John S. Halikowski  
Director

Floyd Roehrich Jr.  
State Engineer

June 14, 2011

Arizona Corporation Commission  
Office of Railroad Safety  
Attn: Chris Watson  
1200 W Washington Street  
Phoenix, AZ 85007

RE: Application to upgrade existing railroad signals  
Project: Litchfield Road (Goodyear, 87' n/o Buckeye Road)  
Federal Project # STP-GDY-0(200)  
ADOT Tracs # 0000 MA GDY SR220 01C  
Union Pacific Railroad crossing AAR/DOT # 741-784-A

RR-03639A-11-0245

Mr. Watson,

Please find enclosed the original and 13 copies of the application to upgrade the existing railroad signals at Litchfield Road along with the agreement between ADOT and the Union Pacific Railroad.

Feel free to contact me if you have any questions.

Sincerely,

Robert Travis, PE  
State Railroad Liaison  
Arizona Department of Transportation  
205 S 17th Ave, Room 357  
MD 618E  
Phoenix, AZ 85007  
602-712-6193 602-712-3229 fax  
[rtravis@azdot.gov](mailto:rtravis@azdot.gov)

Arizona Corporation Commission

**DOCKETED**

JUN 16 2011

DOCKETED BY	nr
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enclosures

cc: Vicki Bever, ADOT  
Aziz Aman, Union Pacific Railroad  
Luke Albert, City of Goodyear  
File

AZ CORP COMMISSION  
DOCKET CONTROL

2011 JUN 16 P 12:46

RECEIVED



**Arizona Department of Transportation**  
**Intermodal Transportation Division**

206 South Seventeenth Avenue Phoenix, Arizona 85007-3213

Janice K. Brewer  
Governor

John S. Halikowski  
Director

June 13, 2011

Floyd Roehrich Jr.  
State Engineer

Arizona Corporation Commission  
Office of Railroad Safety  
Attn: Chris Watson  
1200 W Washington Street  
Phoenix, AZ 85007

RE: Application to upgrade existing railroad signals  
Project: Litchfield Road (Goodyear, 87' n/o Buckeye Road)  
Federal Project # STP-GDY-0(200)  
ADOT Tracs # 0000 MA GDY SR220 01C  
Union Pacific Railroad crossing AAR/DOT # 741-784-A

Mr. Watson,

This application is being submitted to allow the Union Pacific Railroad (UPRR) to install 1 cantilever to provide train warning to the traveling public, a concrete crossing surface, and update existing signals to LED flashers. This work was identified thru the 2007 array and numerous onsite diagnostic meetings. The project was modified to provide train warning when Litchfield Road experiences 2 way traffic.

**1. Project Location and Description**

The project is located at the crossing of UPRR on Litchfield Road, just north of MC85 in Goodyear, Arizona in Maricopa County. This is a mainline for UPRR with daily usage. Litchfield Road is 5 lanes wide and is normally used for 2 way traffic, consisting of 3 lanes south bound and 2 north bound lanes.

The signal project consists of building 1 cantilever, upgrading lights to LED heads, and installing a concrete crossing surface. UPRR already authorized replacing timber with concrete.

**2. Why the crossing is needed**

Based on the 2007 crossing improvement array, this crossing was selected for upgrades to the signals by installing a cantilever and installing a concrete crossing surface.

**3. Construction Phasing**

Once an opinion and order is issued, UPRR will acquire and install the signal equipment within 12 to 15 months.

**4. Maintenance of the crossing**

UPRR will be responsible for installing and maintaining the crossing surface and signal equipment. City of Goodyear will be responsible for maintaining the road approaches outside of UPRR responsibility.

## 5. Project Funding

A portion of the funding for this project will be provided thru the Federal Highway Administration thru their Section 130/highway-railroad crossing safety improvement program and the other portion will be paid through City of Goodyear funds.

Costs are as follows:

UPRR Signal Cost	\$284,296.00
UPRR Surface Cost	<u>\$196,981.00</u>
Total Cost	\$481,277.00

The Federal Highway Administration will fund 100% of the signal costs and 94.3% or \$185,753.08 of the surface cost. The City of Goodyear will fund 5.7% or \$11,227.92 of the surface cost.

## 6. Other information (based on typical Staff Data Requests):

1. Provide Average Daily Traffic Counts for each of the locations.

8,400 ADT in 2008

2. Please describe the current Level of Service (LOS) at each intersection.

Level of Service B

3. Provide any traffic studies done by the road authorities for each area.

None known

4. Provide the population of the City the crossing is located in.

2009 census: 63,688 persons.

5. Provide what warning devices are currently installed at the crossing.

5 existing flashers with lights and no cantilevers.

6. Provide distances in miles to the next public crossing on either side of the proposed project location. Are any of these grade separations?

Central Avenue (AAR/DOT 741 795 M) is at-grade and 3000 ft northeast. Estrella

Parkway (AAR/DOT 741 783 T) is also at grade and is 2.3 miles to the southwest of the crossing.

7. How and why was grade separation not decided on at this time? Please provide any studies that were done to support these answers.

No studies completed. Grade separation not considered as part of this Section 130 safety upgrade.

8. If this crossing was grade separated, provide a cost estimate of the project.

Unknown costs. Estimate \$30,000,000++ due to urbanized location.

9. Please describe what the surrounding areas are zoned for near this intersection. i.e. Are there going to be new housing developments, industrial parks etc.

Surrounding area zoned commercial and industrial.

10. Please supply the following: number of daily train movements through the crossing, speed of the trains, and the type of movements being made (i.e. thru freight or switching). Is this a passenger train route?

Per the Federal Railroad Administration website this crossing has 6 thru freight train movements per day at speeds between 45 and 50mph and contains no passenger traffic.

11. Please provide the names and locations of all schools (elementary, junior high and high school) within the area of the crossing.

Michael Anderson K-8 School within the Avondale Elementary School District is located 1 mile to the northeast of the crossing. Elisea Felix K-8 School is located 2 miles to the northeast of the crossing. Agua Fria High School from the Agua Fria High School District is 2 miles to the northeast of the crossing. Desert Edge High School is 3 miles to the northwest of the crossing.

12. Please provide school bus route information concerning the crossing, including the number of times a day a school bus crosses this crossing.

Based on information provided from the school district offices within the area, Avondale Elementary School District buses utilize this crossing 4 times a day and Agua Fria High School District buses utilize this crossing 12 times a day. The contact at the Avondale Elementary School District is the Director of Transportation, Robert Jacobson, and his work phone number is 623-772-5065. The contact at the Agua Fria High School District is the Route Coordinator, Nina Chavez, and she can be reached at 623-932-9702.

13. Please provide information about any hospitals in the area and whether the crossing is used extensively by emergency service vehicles.

The closest hospitals are the Cancer Treatment Centers of America at 2 miles north of the intersection and West Valley Hospital at 3 miles north of the intersection. Per the City of Goodyear this crossing is used by emergency vehicles, but not extensively.

14. Please provide total cost of the railroad improvements to each crossing.

Cost described above.

15. Provide any information as to whether vehicles carrying hazardous materials utilize this crossing and the number of times a day they might cross it.

Per the City of Goodyear there are no vehicles carrying hazardous materials which utilize this crossing.

16. Please provide the posted vehicular speed limit for the roadway.

40 mph

17. Do any buses (other than school buses) utilize the crossing, and how many times a day do they cross the crossing.

The Phoenix-Gila Bend-Ajo Connector service by Valley Metro crosses the UPRR at this location ten times per week.

18. Please indicate whether any spur lines have been removed within the last three years inside a 10 mile radius of any crossings covered in this application. Please include the reason for the removal, date of the removal and whether an at-grade crossing or crossings were removed in order to remove the spur line.

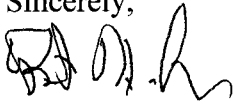
Litchfield industrial spur is immediately adjacent to this crossing. Spur was totally abandoned in 2008 including removal of multiple public and private crossings.

19. Please fill in the attached FHWA Grade Separation Guidelines Table, (from FHWA's 2007 revised second edition Railroad Highway Grade-Crossing Handbook, page 151) with a yes or no answer as to whether each item applies. Also, please provide all information to support your answers of yes or no (i.e. vehicle delay numbers, any calculations that were performed to get the answers).

20. Based on the current single track configuration at the crossings specified by this application, please provide the current traffic blocking delay per train. Please indicate the time in which vehicular traffic is delayed (1) to allow the train to pass at a crossing and (2) due to trains stopped on the track for any purpose.

Per information provided by the City of Goodyear there are no significant delays at this crossing.

Sincerely,



Robert Travis, PE  
State Railroad Liaison  
Arizona Department of Transportation  
205 S 17th Ave, Room 357  
MD 618E  
Phoenix, AZ 85007  
602-712-6193 602-712-3229 fax  
[rtravis@azdot.gov](mailto:rtravis@azdot.gov)

enclosures

cc: Vicki Bever, ADOT  
Aziz Aman, Union Pacific Railroad  
Luke Albert, City of Goodyear  
File

## FHWA - GRADE SEPARATION GUIDELINES

Highway-rail grade crossings should be considered for grade separation or otherwise eliminated across the railroad right of way whenever one or more of the following conditions exist:

		Litchfield Road		
The highway is a part of the designated Interstate Highway System	Crossing Currently meets the criteria	N		
	Crossing meets the criteria by 2030	N		
The highway is otherwise designed to have full controlled access	Crossing Currently meets the criteria	N		
	Crossing meets the criteria by 2030	N		
The posted highway speed equals or exceeds 70 mph	Crossing Currently meets the criteria	N		
	Crossing meets the criteria by 2030	N		
AADT exceeds 100,000 in urban areas or 50,000 in rural areas	Crossing Currently meets the criteria	N		
	Crossing meets the criteria by 2030	N		
Maximum authorized train speed exceeds 110 mph	Crossing Currently meets the criteria	N		
	Crossing meets the criteria by 2030	N		
An average of 150 or more trains per day or 300 million gross tons/year	Crossing Currently meets the criteria	N		
	Crossing meets the criteria by 2030	N		
Crossing exposure (trains/day x AADT) exceeds 1M in urban or 250k in rural; or passenger train crossing exposure exceeds 800k in urban or 200k in rural	Crossing Currently meets the criteria	N		
	Crossing meets the criteria by 2030	N		
Expected accident frequency for active devices with gates, as calculated by the US DOT Accident Prediction Formula including five-year accident history, exceeds 0.5	Crossing Currently meets the criteria	N		
	Crossing meets the criteria by 2030	N		
Vehicle delay exceeds 40 vehicle hours per day	Crossing Currently meets the criteria	N		
	Crossing meets the criteria by 2030	N		

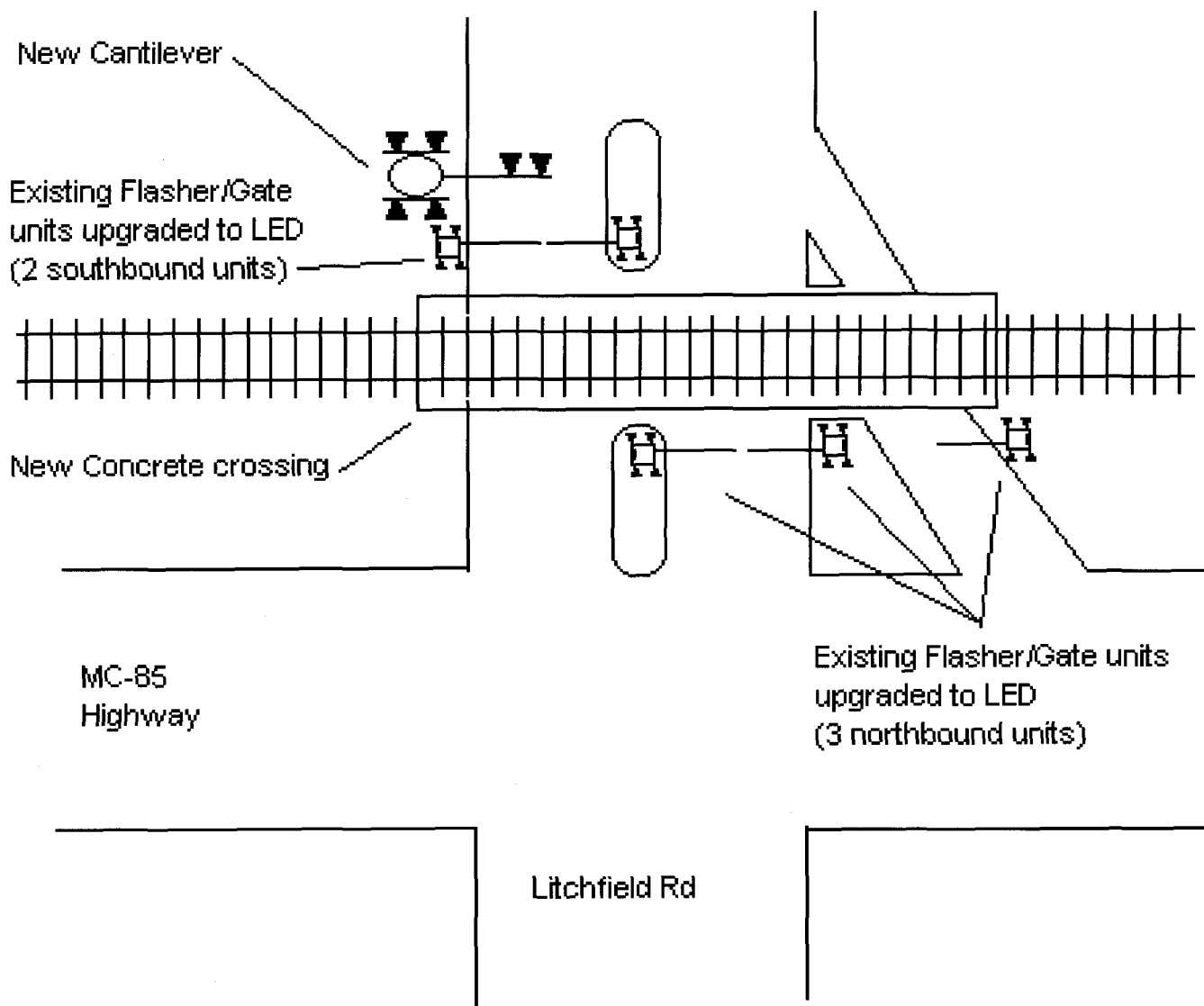


EXHIBIT A  
Page 5 of 6  
TRACS 0940 MA GDY SR220 01C  
Project STP-GDY-0(200)



Janice K. Brewer  
*Governor*

John S. Halikowski  
*Director*

**Arizona Department of Transportation**  
**Intermodal Transportation Division**  
206 South Seventeenth Avenue Phoenix, Arizona 85007-3213

Floyd Roehrich Jr.  
*State Engineer*

August 4, 2010

**RAILROAD CROSSING PROJECT**

TRACS No.: 0000 MA GDY SR220 01C  
Project No.: STP-GDY-0(200)  
Location: Litchfield Road  
AAR/DOT No.: 741 784 A  
RR M.P.: 889.35 Phoenix Subdivision  
ADOT Accounting No: R1532GB10

**RAILROAD AGREEMENT**  
**For**  
**FEDERAL AID**  
**Railroad Crossing Projects**

**THE UNION PACIFIC RAILROAD COMPANY**  
**Agreement No. 1532-91-SPTC**  
**RAIL/HIGHWAY SAFETY PROGRAM**

**ADOT ORIGINAL**



EXHIBIT A  
Agreement 1532-91-SPTC  
TRACS No. 0940 MA GDY SR220 01C  
PROJECT STP-GDY-0(200)  
ADOT Accounting number R1532GB10

SUMMARY OF ESTIMATE

	Total
<hr/>	
Preliminary Engineering:	\$10,000.00
Construction:	
Signals	
Construction Engineering	\$ 16,221.00
Labor	\$131,874.00
Materials	<u>\$136,201.00</u>
Signal subtotal	\$284,296.00
Surface (inc misc. signal)	
Construction Engineering	\$ 11,236.00
Labor	\$ 52,279.00
Materials	<u>\$133,466.00</u>
Surface subtotal	<u><u>\$196,981.00</u></u>
	*\$491,277.00

\* Railroad will invoice ADOT for 100% of total work.  
Railroad will separate Preliminary Engineering costs from  
Construction costs. Costs include installation of signals and  
providing power to the site.

DATE: 2010-04-05

ESTIMATE OF MATERIAL AND FORCE ACCOUNT WORK  
BY THE  
UNION PACIFIC RAILROAD

THIS ESTIMATE GOOD FOR 6 MONTHS EXPIRATION DATE IS :2010-10-04

DESCRIPTION OF WORK:

INSTALL NEW CABIN WITH CWT AND ONE NEW CANTILEVER

AND RE-NEW CABLE TO FIVE EXISTING GATES

AT GOODYEAR, AZ. LITCHFIELD ROAD M.P. 889.35

ON THE PHOENIX SUB. DOT #741784A

WORK TO BE PERFORMED BY RAILROAD WITH EXPENSE AS BELOW:

SIGNAL - FEDERAL - 100%

ESTIMATED USING FEDERAL ADDITIVES - 105.61%

PID: 67741 AWO: 03245 MP,SUBDIV: 889.35, PHOENIX  
SERVICE UNIT: 16 CITY: GOODYEAR STATE: AZ

DESCRIPTION	QTY	UNIT	LABOR	MATERIAL	RECOLL	UPRR	TOTAL
ENGINEERING WORK							
ENGINEERING			3092		3092		3092
LABOR ADDITIVE 105.61%			8308		8308		8308
SIG-HWY XNG			4821		4821		4821
TOTAL ENGINEERING			16221		16221		16221
SIGNAL WORK							
BILL PREP			900		900		900
CANTILEVER				16929	16929		16929
CONTRACT				5206	5206		5206
LABOR ADDITIVE 105.61%			67736		67736		67736
MATL STORE EXPENSE				7	7		7
METER SERVICE				15000	15000		15000
PERSONAL EXPENSES				34536	34536		34536
ROCK/GRAVEL/FILL				300	300		300
SALES TAX				2082	2082		2082
SIGNAL			63238	52065	115303		115303
TRANSP/IB/OB/RCLW CONTR				10075	10075		10075
ENVIRONMENTAL				1	1		1
TOTAL SIGNAL			131874	136201	268075		268075
LABOR/MATERIAL EXPENSE			148095	136201			
RECOLLECTIBLE/UPRR EXPENSE					284296	0	
ESTIMATED PROJECT COST							284296

THE ABOVE FIGURES ARE ESTIMATES ONLY AND SUBJECT TO FLUCTUATION. IN THE EVENT OF AN INCREASE OR DECREASE IN THE COST OR QUANTITY OF MATERIAL OR LABOR REQUIRED, UPRR WILL BILL FOR ACTUAL CONSTRUCTION COSTS AT THE CURRENT EFFECTIVE RATE.

EXHIBIT A  
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TRACS 0940 MA GDY SR220 010  
Project STP-GDY-0(200)  
Agreement 1532-01 SPTC

## WORK ORDER AUTHORIZATION-DETAIL OF ESTIMATED EXPENDITURES

RAILROAD: UPRR CO.  
LOCATION: GOODYEAR, AZ, LITCHFIELD ROAD  
DEPARTMENT: ENGINEERING SERVICES

SERVICE UNIT: 16

PROJ NO: 67741  
A.W.O. NO: 03245  
W.O. NO:  
B.I. NO: 10EN10  
STATE: AZ  
VAL SEC: 0221

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INSTALL NEW CABIN WITH CWT AND ONE NEW CANTILEVER  
AND RE-NEW CABLE TO FIVE EXISTING GATES  
AT GOODYEAR, AZ. LITCHFIELD ROAD M.P. 889.35  
ON THE PHOENIX SUB. DOT #741784A  
WORK TO BE PERFORMED BY RAILROAD WITH EXPENSE AS BELOW:  
SIGNAL - FEDERAL - 100%

EXHIBIT A  
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TRACS 0940 MA BDY 6R228010  
Project STP GBY 01200  
Agreement 1532-91 SPIC

ESTIMATE OF MATERIAL AND FORCE ACCOUNT WORK  
BY THE  
UNION PACIFIC RAILROAD

THIS ESTIMATE GOOD FOR 6 MONTHS EXPIRATION DATE IS :2011-02-01

DESCRIPTION OF WORK:

2010 RECOLLECTIBLE PROJECT

PHOENIX SUB / M.P. 889.35

GOODYEAR, AZ. / LITCHFIELD ROAD / DOT #741784A

INSTALL 152 TF OF CONCRETE CROSSING SURFACE WITH RAIL, TIES, BALLAST AND OTM.

COST: 100% AZ DOT

ESTIMATED USING FEDERAL ADDITIVES WITHOUT INDIRECT AND OVERHEAD - 142%

PID: 68199 AWO: 04460 MP,SUBDIV: 889.35, PHOENIX  
SERVICE UNIT: 16 CITY: GOODYEAR STATE: AZ

DESCRIPTION	QTY	UNIT	LABOR	MATERIAL	RECOLL	UPRR	TOTAL
<b>ENGINEERING WORK</b>							
ENGINEERING			8775		8775		8775
LABOR ADDITIVE 142%			12461		12461		12461
<b>TOTAL ENGINEERING</b>			21236		21236		21236
<b>SIGNAL WORK</b>							
LABOR ADDITIVE 142%			1618		1618		1618
SALES TAX				2	2		2
SIGNAL			1140	70	1210		1210
<b>TOTAL SIGNAL</b>			2758	72	2830		2830
<b>TRACK &amp; SURFACE WORK</b>							
BALAST	3.00	CL	1754	2299	4053		4053
BILL PREP				900	900		900
ENVIROMENTAL - PERMITS				1	1		1
FIELD WELD			161		161		161
FOREIGN LINE FREIGHT				645	645		645
HOME LINE FREIGHT				900	900		900
LABOR ADDITIVE 142%			23080		23080		23080
MATL STORE EXPENSE				552	552		552
OTM			931	1873	2804		2804
RAIL	640.00	LF	1261	11795	13056		13056
RDXING	152.00	TF	5687	32202	37889		37889
ROADWAY APPROACH WORK				30000	30000		30000
SALES TAX				2667	2667		2667
SAW CUT STREET APPROACH				1000	1000		1000
TRAFFIC CONTROL				30000	30000		30000
TRK-SURF,LIN			3518		3518		3518
WELD			5226	1143	6369		6369
XTIE	200.00	EA	7903	17417	25320		25320
<b>TOTAL TRACK &amp; SURFACE</b>			49521	133394	182915		182915
<b>LABOR/MATERIAL EXPENSE</b>			73515	133466			
<b>RECOLLECTIBLE/UPRR EXPENSE</b>					206981	0	
<b>ESTIMATED PROJECT COST</b>							206981
<b>EXISTING REUSEABLE MATERIAL CREDIT</b>					0		
<b>SALVAGE NONUSEABLE MATERIAL CREDIT</b>					0		
<b>RECOLLECTIBLE LESS CREDITS</b>							

THE ABOVE FIGURES ARE ESTIMATES ONLY AND SUBJECT TO FLUCTUATION. IN THE EVENT OF AN INCREASE OR DECREASE IN THE COST OR QUANTITY OF MATERIAL OR LABOR REQUIRED, UPRR WILL BILL FOR ACTUAL CONSTRUCTION COSTS AT THE CURRENT EFFECTIVE RATE.

**EXHIBIT A**

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TRACS 0940 MA GDY SR220 01C  
Project STP-GDY-0(200)  
Agreement 1532-91-SPTC

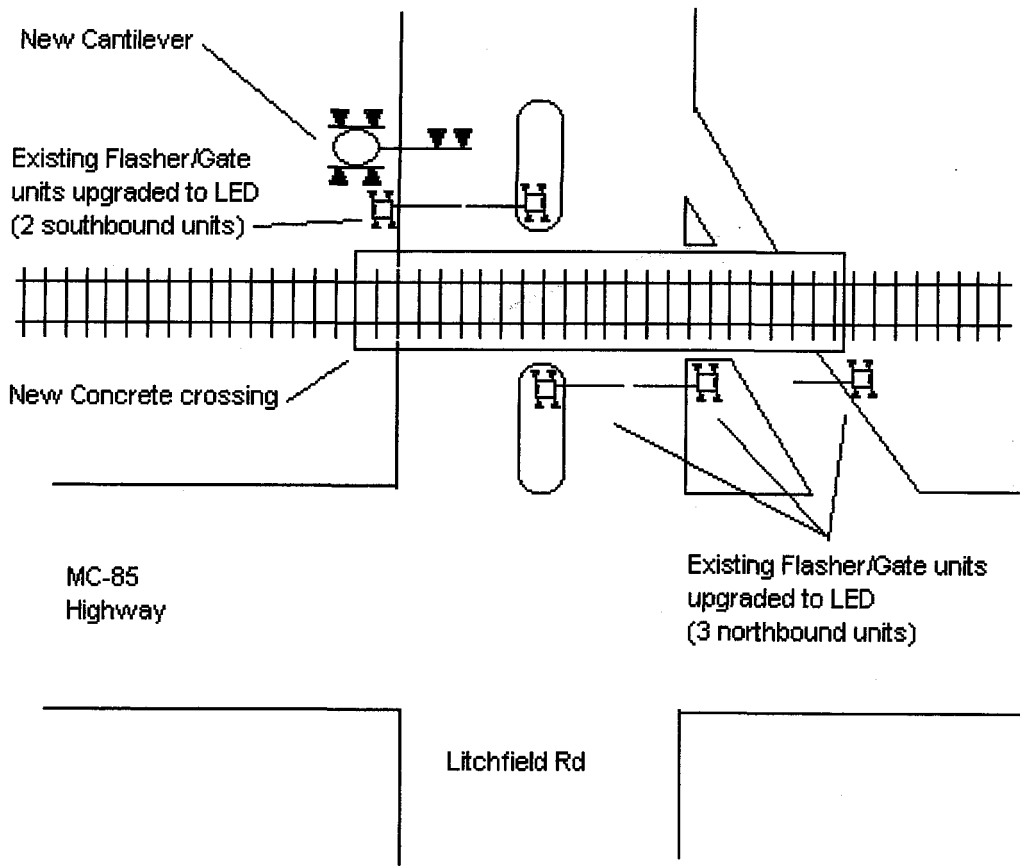
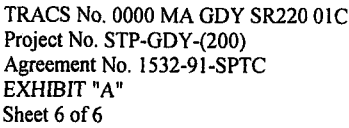


EXHIBIT A  
Page 5 of 6  
TRACS 0940 MA GDY SR220 01C  
Project STP-GDY-0(200)

374 000 FEET



STATE OF ARIZONA  
DEPARTMENT OF TRANSPORTATION

Agreement No. 1532-91-SPTC

Agreement Addendum No. 1

Company's Name: The Union Pacific Railroad Company  
Address: 101 S. Watson Road, Arlington, TX 76010

The purpose of this addendum is to modify the Company name as stated herein:

WHEREAS: Agreement No. 1532-91-SPTC terms the "RAILROAD" as SOUTHERN PACIFIC TRANSPORTATION COMPANY.

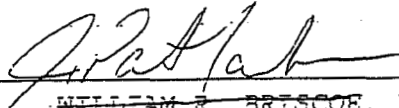
WHEREAS: Agreement No. 1532-91-SPTC is revised to term the "RAILROAD" as the UNION PACIFIC RAILROAD COMPANY.

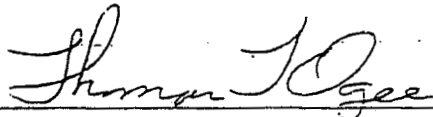
THEREFORE: The parties hereto agree that Agreement No. 1532-91-SPTC is hereby amended as shown herein. All other provisions of Agreement No. 1532-91-SPTC shall remain unabrogated.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

ARIZONA DEPARTMENT OF TRANSPORTATION

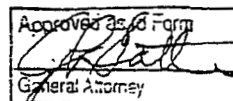
UNION PACIFIC RAILROAD COMPANY

By   
~~WILLIAM R. BRISCOE, P.E.~~  
~~C. Patrick Hackett~~  
Utility & Railroad Engineering Section

By   
CHIEF ENGINEER

Date 2-18-99

Date \_\_\_\_\_



A. G. CONTRACT NO. KR95-1689-TF

**ARIZONA DEPARTMENT OF TRANSPORTATION**  
**HIGHWAYS DIVISION**  
UTILITY AND RAILROAD ENGINEERING SECTION

MASTER  
RAILROAD AGREEMENT  
For  
FEDERAL AID  
Railroad Crossing Projects

SOUTHERN PACIFIC TRANSPORTATION COMPANY  
Agreement No. 1532-91-SPTC  
RAIL/HIGHWAY SAFETY PROGRAM

THIS AGREEMENT by and between SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation, herein termed "RAILROAD," and STATE OF ARIZONA, DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION, herein termed "STATE".

WITNESSETH:

The parties hereto desire to set forth by this instrument their understanding and agreements with respect to the installation, at various times, of railroad warning devices and/or surface crossing materials with track rehabilitation, if required, throughout the State of Arizona, where a roadway crosses the property and tracks of RAILROAD.

Agreement No. 1532-91-SPTC



AGREEMENT:

NOW THEREFORE, it is mutually agreed as follows:

1. The work to be performed by RAILROAD under this agreement is hereinafter referred to as "PROJECT".

2. RAILROAD agrees to furnish all labor, materials, tools, and equipment necessary to install such warning devices including necessary actuating and operating circuits and adequate instrument housing and/or roadway crossing materials with track rehabilitation, if required, upon its property at certain designated grade crossings.

Said installation shall comply with the latest standards prescribed by the Association of American Railroads and the Manual On Uniform Traffic Control Devices, Part VIII.

3. RAILROAD will prepare both a cost estimate, marked Exhibit "A" and a location plan marked, Exhibit "B", showing the general details of each PROJECT and send them to STATE for acceptance.

4. It is agreed that the work to be performed by RAILROAD is a part of a Federal-Aid project. Pursuant to the provisions of Federal-Aid Policy Guide Subchapter G, Part 646 Subpart B, there is no ascertainable net benefit to RAILROAD, and STATE agrees to reimburse RAILROAD for one hundred percent (100%) of the cost and expense incurred by RAILROAD in furnishing of materials and performing the work as described in the Cost Estimate, marked EXHIBIT "A", attached to and made a part hereof.

5. It is understood and agreed that the STATE is acting solely as an agent for the project sponsor in securing and administering Federal funds and STATE assumes no other liability hereunder for the project sponsor.

6. Prior to commencing construction of each PROJECT, Railroad agrees to notify STATE, in writing, of the actual construction start date. Upon completion of each PROJECT, RAILROAD agrees to notify STATE, in writing, of the actual completion date. The construction start date shall not be prior to receiving a notice to proceed from STATE. Construction progress payments shall not be made without the actual construction start date. Final payment shall not be made without the actual construction completion date.

7. The work for each PROJECT shall be performed by RAILROAD forces on an actual cost basis, and as supported by the analysis of estimated costs set forth in Exhibit "A". The actual cost shall be payable in payments as follows:

- a. RAILROAD will order the materials for each PROJECT, and may invoice the STATE upon receipt, for materials and related costs, as set forth in Exhibit "A".
- b. RAILROAD may submit monthly invoices for work performed and materials installed unless invoiced under subparagraph a.
- c. Minimum payment, except for final invoice, is \$5,000.
- d. Upon completion of all work under each PROJECT, RAILROAD shall arrange for a joint close-out inspection of the completed PROJECT. Upon determination by STATE that the work has been completed in accordance

with Exhibits "A" and "B", RAILROAD will submit final and complete invoice to the STATE. STATE agrees to pay RAILROAD the difference between the final invoice and any previous payments for PROJECT. Any amount with which STATE disagrees shall be paid under protest, subject to resolution.

- e. All invoices will be paid by STATE within sixty (60) days of receipt.

All expenses incurred by RAILROAD for work which STATE is obligated to reimburse RAILROAD hereunder, including all work incidental to such work but not specifically mentioned herein, shall be subject to the provisions of the Federal-Aid Policy Guide Subchapter B Part 140 Subpart I.

8. Pursuant to A.R.S. Sections 35-214, 35-215 and 41-1279.04, the books of RAILROAD shall be open for inspection and audit by authorized representatives of STATE and the Federal Government for a period of not less than five (5) years from the date final payment has been received by RAILROAD. State agrees to pay RAILROAD any sums found to be owing as a result of an audit within sixty (60) days of receipt of the audit by the Utility and Railroad Engineering Section of STATE. RAILROAD agrees to reimburse STATE, within sixty (60) days of notification for any amount STATE disallows as a result of its audit. Any audit exceptions with which RAILROAD disagrees shall be paid to STATE under protest subject to resolution.

9. All invoices shall contain STATE's project number and agreement number. The invoice shall be sent to:

Agreement No. 1532-91-SPTC

ARIZONA DEPARTMENT OF TRANSPORTATION  
Utility and Railroad Engineering Section  
205 South 17th Ave. Mail Drop 618E  
Phoenix, Arizona 85007-3212

10. Once installation of railroad warning devices and/or roadway crossing material has been completed, RAILROAD shall maintain, in kind, the railroad warning devices and the crossing material two feet outside of each rail as long as they remain in place. However, RAILROAD shall be entitled to receive any contribution toward the cost of such maintenance as may be now or hereafter made available by means of any law, ordinance, regulation, order, grant or by other means or sources.

11. Claims and disputes between STATE and RAILROAD involving sums less than \$100,000 and arising out of the terms of this Agreement relating to work performed, invoicing and similar matters, shall be subject to arbitration, at the request of either party, in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining; provided, however, that claims or disputes arising out of personal injury, death, property damage, or environmental incidents shall not be subject to arbitration without the concurrence of both parties, except to the extent otherwise required by the rules of Arizona courts.

12. In compliance with the regulations of the United States Department of Transportation, RAILROAD hereby agrees to comply fully with all of the provisions of Appendix "A", attached hereto and by this reference made a part of this Agreement; provided, however, that Appendix "A" shall be applicable only in those cases where RAILROAD does not perform the work contemplated in this Agreement with its own forces.

13. This Agreement is subject to the budgetary limitations set forth in Arizona Revised Statutes Subsection 28-1823 through 28-1826 inclusive and is further subject to the provisions of Chapter 1 of Title 35, Arizona Revised Statutes.

14. STATE and RAILROAD each agrees to be liable to the other party for its own acts of negligence and the negligence of its own employees.

15. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of RAILROAD and the assigns of STATE.

16. RAILROAD is required to comply with Executive Order 75-5, "Non-Discrimination in Employment by Government Contractors and Subcontractors," which is hereby included in its entirety by reference and considered a part of this Agreement.

17. Pursuant to A.R.S. Subsection 38-511, STATE may cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of STATE or any of its departments or agencies is, at any time while this Agreement or any extension of it is in effect, an employee of any other party to this Agreement with respect to the subject matter of this Agreement.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year signed by both parties.

SOUTHERN PACIFIC  
TRANSPORTATION COMPANY

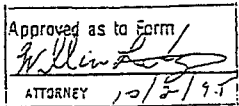
ARIZONA DEPART. OF TRANSPORTATION  
HIGHWAY DIVISION

By Janice L. Moeller  
Its MANAGER-CONTRACTS

By William R. Briscoe  
Manager of Utility & Railroad  
Engineering Section

Date October 2, 1995

Date 10-17-95



STATE OF COLORADO )  
 ) ss.  
COUNTY of DENVER )

The foregoing instrument was acknowledged before me this 2nd day of October, 1995, by Ms. J. L. Moeller, the MANAGER-CONTRACTS of SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation, on behalf of the corporation.

My Commission Expires:

Notary Public

Alison Dilges

My Commission Expires 2-11-97

STATE OF ARIZONA )  
 ) ss.  
COUNTY of MARICOPA )

The foregoing instrument was acknowledged before me this 17 day of October, 1995 by William R. Briscoe, the Manager of Utility and Railroad Engineering Section of the Arizona Department of Transportation, on behalf of the STATE.

My Commission Expires:

My Commission Expires March 23, 1999

Notary Public

Connie Marie Fox

Agreement No. 1532-91-SPTC

APPENDIX A  
(Revised)

II EQUAL OPPORTUNITY

1. Selection of Labor:

During the performance of this contract, the contractor shall not discriminate against labor from any other State, possession or territory of the United States.

2. Employment Practices:

During the performance of this contract, the contractor agrees as follows:

a. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the State highway department setting forth the provisions of this nondiscrimination clause.

b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the State highway department advising the said labor union or workers' representative of the contractors commitments under this section II-2 and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations (41 CFR, Part 60) and relevant orders of the Secretary of Labor.

e. The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the Federal Highway Administration and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

f. In the event of the contractor's noncompliance with the non-discrimination clauses of this contract or with any of the said rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or Federally-assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

g. The contractor will include the provisions of this Section II-2 in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the State highway department or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the Federal Highway Administration, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

3. Selection of Subcontractors. Procurement of Materials, and Leasing of Equipment:

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

a. Compliance With Regulations: The contractor shall comply with the Regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time. (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

b. Nondiscrimination: The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

c. Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.



d. Information and Reports: The contractor shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the State highway department or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the State highway department, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.

e. Sanctions for Noncompliance: In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the State highway department shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:

(1) withholding of payments to the contractor under the contract until the contractor complies, and/or

(2) cancellation, termination or suspension of the contract, in whole or in part.

f. Incorporation of Provisions: The contractor shall include the provision of this paragraph 3 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontractor or procurement as the State highway department or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the State highway department to enter into such litigation to protect the interests of the State, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.